

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE  
CERTIFIED FARMERS' MARKET ADVISORY COMMITTEE  
Meeting Minutes from January 12, 2004  
Torrance, California**

**MEMBERS**

Scott Beylik  
Karol Jo Kappel  
Fred Kosmo  
Scott Hudson  
Theodore Loewen  
Jim Russell  
Harry Brown-Hiegel  
Greta Dunlap  
Howell Tumlin  
Mary Lou Weiss

**ALTERNATES/NON VOTING**

James Murez  
Mary Hillebrecht

**MEMBER EXCUSED**

Gene Etheridge  
Edith Clark  
Gail Hayden  
Lynn Bagley

**GUESTS**

Polly Ward  
Dave Kruger, LA County Ag  
Dale Whitney, Harbor Area  
CFM  
Judy Andre  
Russell Hall  
Stacia Mancini  
Laura Avery, Santa Monica  
CFM  
Leslie Starus, Producer

**CDFA**

Steve Mauch  
Janice Price

**ITEM 1: ROLL CALL**

Jerry Gonce called the meeting to order. Janice Price called the roll and a quorum was established. Scott Beylik led the committee in the pledge of allegiance.

**ITEM 1A: INTRODUCTION OF GUESTS**

Introductions were made.

**ITEM 2: APPROVAL DECEMBER 8, 2003, MEETING MINUTES**

**MOTION:** Karol Jo Kappel moved to approve the minutes as submitted. Greta Dunlap seconded. The motion passed unanimously.

**ITEM 3: APPROVAL OF AGENDA**

Additions to the agenda were discussed.

**MOTION:** Jim Russell moved to add "Election of Officers" to the agenda as item 5.e. The motion was seconded. The motion passed with six affirmative and two opposing votes.

**MOTION:** Mary Lou Weiss moved to add "Appointment to New Sub-Committee" to the agenda as item 5.f. and to approve the agenda as amended. Karol Jo Kappel seconded. The motion passed unanimously.

#### **ITEM 4: REPORTS**

##### **A. CFM REMITTANCE FEE AND DELINQUENT MARKET REPORT: 1<sup>st</sup>, 2<sup>nd</sup>, AND 3<sup>rd</sup> QUARTERS, 2003 – JANICE PRICE**

Reports included in committee packet. No discussion at this time.

##### **B. CDFA BUDGET REPORTS: NOVEMBER 2003 – JANICE PRICE**

Reports included in committee packet. No discussion at this time.

##### **C. CFMAC EXPIRED TERMS/REAPPOINTMENT QUESTIONNAIRES – JANICE PRICE**

Janice Price reported that she has not received the reappointment questionnaires back from Donna Sherrill, Fred Kosmo, Dan Hashiba, Ed Cisneros, Joaquin Perry, Harry Brown-Hiegel, Jim Murez, and Earl McPhail. Ted Loewen and Cato Fiksdal have elected not to be considered for reappointment.

##### **D. CDFA ANNOUNCEMENTS – JANICE PRICE**

Janice Price reported that Kim Myrman, David Nuenkamp and Christopher Nance have been appointed as CDFA Deputy Secretaries. Steve Mauch announced that Chuck Ahlem has been appointed as Undersecretary.

Janice passed around the new California Grown button. She has obtained about 1,000 buttons to give out at the North American Farmers' Direct Marketing Conference.

Assembly Bill 1726, which relates to the CDFA market fee penalty, was amended on January 8, 2004. The bill amendment extends the sunset clause from January 1, 2005 to January 1, 2007. There will be a hearing at the State Capitol on Wednesday, January 14, 2004, at 1:30 p.m. in room 4202. On January 1, 2005, Food and Agricultural Code Section 47026 sunsets the enforcement authority laws for the CFM Program. This law requires a legislative change to extend the date to continue the enforcement portion of the Program. A clarification of the intent of this bill will be made at the CFMAC March 8, 2004 meeting in Sacramento as noted above.

#### E. AGRICULTURAL COMMISSIONERS

Scott Hudson reported that the Agricultural Commissioners' Direct Marketing Enforcement Committee is looking at ways to streamline the Direct Marketing regulations and will continue to meet for the next few months. The goal for this sub-committee is to bring proposed changes to CACASA at the Spring Conference the 2<sup>nd</sup> week of May. Jerry Gonce asked if the Ag. Commissioners still plan to meet with the CFMAC's sub-committee before the formal proposals are brought to CACASA. Scott confirmed that is the plan.

The Governor's budget was released last Friday. There was some local funding assistance cuts from the CDFA budget for the Agricultural Commissioners. It is also anticipated that there may be General Fund cuts next year. Commissioner resources for the CFM Program will be affected by these budget changes.

#### F. LONG RANGE PLANNING SUB-COMMITTEE – GRETA DUNLAP

The industry surveys were sent out on December 18, 2003. The Program has received a large number of completed surveys. The sub-committee is still in the process of contacting various universities to work with CFMAC to have the results tabulated.

#### G. FINANCE SUB-COMMITTEE – SCOTT BEYLIK, CHAIR

Scott will combine this report with his reports on the agenda under Items 5.b. and 5.c.

#### H. NURSERY STOCK/CUT FLOWERS SUB-COMMITTEE – MARY LOU WEISS, CHAIR

No report at this time.

#### I. MARKET STANDARDS/MANAGER CERTIFICATION SUB-COMMITTEE – HOWELL TUMLIN, CHAIR

No report at this time.

#### J. ENFORCEMENT/MATRIX SUB-COMMITTEE – SCOTT HUDSON, CHAIR

No report at this time.

#### K. NON-CERTIFIABLE AGRICULTURE PRODUCTS SUB-COMMITTEE – JIM RUSSELL, CHAIR

Jim will combine this report with his report on the agenda under Item 5.a.

M. CHAIRMAN'S REPORT – JERRY GONCE

No report at this time.

**ITEM 5: COMMITTEE BUSINESS**

A. PROPOSED REGULATION MODIFICATION – DEFINITION OF NONCERTIFIABLE AGRICULTURE PRODUCT – JIM RUSSELL

Jim Russell gave a written report from this sub-committee to each member of the CFMAC. It is proposed that CA Code of Regulations, Section 1392.2(m) be modified to further define the meaning of a processed product. (See attached handout.)

Scott Beylik asked for clarification on "...shall not exceed 49 percent by weight excluding water, sugar, and salt..." He thinks that this percentage should be closer to 10 percent, not 49 percent, and that vinegar should be added as an excluded item.

Scott Hudson stated that CACASA had an extensive discussion regarding the allowance of value added products in the certified section of the market and decided it is counterproductive to the original intent of the program. This will also create another layer of enforcement problems.

Further discussion by the committee ensued regarding the pros and cons of these proposed changes and the related issues. Jim addressed concerns regarding contamination issues by pointing out that part of the added wording includes that the seller must have a valid Health Department Permit. Greta Dunlap suggested that the committee await the survey results on this matter. It was ultimately decided that these proposed regulation changes would not be recommended at this point in time. The Non-Certifiable Agricultural Products Subcommittee will continue to work on this issue.

**MOTION:** Jim Russell moved to refer this back to the sub-committee. Mary Hillebrecht seconded. The motion passed unanimously.

B. LEGISLATIVE PROPOSAL FOR CDFA FEE INCREASE – SCOTT BEYLIK

Scott Beylik went over the proposed fee increase, increasing the fee from \$.60 to \$1.00. This would pay off the current debt within five years. (See attached handout.) Also included in this plan is to hire a part time office assistant. This would free some of Janice Price's time to take care of enforcement issues.

Discussion ensued regarding issues related to the committee's ability to set budget details. The final decision of how the money from increased fees would be used, are up to the Secretary, the committee can only make recommendations. It was suggested that this issue should be revisited after the results from the surveys are obtained. Janice Price reminded the committee that the final tabulation of the survey's would be sometime around June.

**MOTION:** Fred Kosmo moved to table this recommendation until the surveys are received and tallied. Jim Russell seconded. The motion failed.

**MOTION:** Scott Beylik moved to approve the proposal fee increase from \$.60 to \$1.00 and that the proposal plan be recommended as outlined on the CDFA Market Fee Proposal, as revised on December 22, 2003. Harry Brown-Hiegel seconded. The motion passed with five affirmative, four against, and one abstaining vote.

#### C. FINANCE SUB-COMMITTEE MISSION STATEMENT – SCOTT BEYLIK

The following Finance Sub-Committee mission statement was presented to the committee for approval:

“The intent of the subcommittee is to identify, study, and discuss financial issues and to make recommendations regarding these issues to the Certified Farmers' Market Advisory Committee.”

**MOTION:** Scott Beylik moved to adopt this mission statement for the Finance Sub-Committee as presented. Mary Hillebrecht seconded. The motion passed.

#### D. NEW BUSINESS – DISCUSSION ONLY

Nothing to discuss at this time.

#### E. ELECTION OF OFFICERS

**MOTION:** Fred Kosmo nominated Jerry Gonce as committee chair. Harry Brown-Hiegel seconded. Karol Jo Kappel nominated Harry Brown-Hiegel as committee vice-chair. Jim Russell seconded. The motion to elect these officers passed unanimously.

#### F. APPOINTMENT TO NEW SUB-COMMITTEE

Discussion ensued regarding the sub-committee formulation to work with the CACASA Direct Marketing Enforcement Committee.

**MOTION:** Karol Jo Kappel motioned to create the CACASA Coordination Sub-Committee. Harry Brown-Hiegel seconded. The motion passed unanimously.

**MOTION:** Fred Kosmo motioned to have Russell Hall, Mary Lou Weiss, and Karol Jo Kappel serve on this sub-committee. Greta Dunlap seconded. The motion passed unanimously.

Howell Tumlin stated that it would be key for the CFMAC chair to serve on this sub-committee.

**MOTION:** Jim Russell moved to have Jerry Gonce serve on the sub-committee. Mary Hillebrecht seconded. The motion passed unanimously.

**ITEM 6: MEMBER ROUNDTABLE DISCUSSION – JERRY GONCE**

Nothing to discuss at this time.

**ITEM 7: NEXT MEETING MARCH 8, 2004 – SACRAMENTO/NEW AGENDA ITEMS – JERRY GONCE**

The committee was informed that the next meeting would convene on March 8, 2004 in Sacramento at the Farm Bureau.

**ITEM 8: ADJOURNMENT**

**MOTION:** It was moved to adjourn the meeting. Motion seconded. The motion passed unanimously.

Respectfully submitted by:

---

Janice Price, Supervisor  
Certified Farmers' Market Program  
Inspection and Compliance  
Inspection Services